



CURRENCY

Committee on Financial Services

Michael G. Oxley, Chairman

For Immediate Release:

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Tuesday, November 6, 2001

House Passes Legislation to Protect U.S. Financial Services

The House of Representatives approved legislation today by an overwhelming margin of 392-4 aimed at giving financial regulators the tools they need to protect our financial markets, especially in light of the events of Sept. 11.

H.R. 1408, the Financial Services Antifraud Network Act, introduced by Rep. Mike Rogers (MI) and sent to the floor by the House Committee on Financial Services, moves to create an antifraud network for information sharing among the nation's more than 250 financial regulators about wrongdoers in the financial services profession. Currently, bad actors can too easily escape regulators' notice by moving from one state to another or from one industry to another.

"As a former special agent of the FBI, I know firsthand that criminals come in all shapes and sizes," Rogers said. "Advances in modern technology and the Internet have created a new frontier for criminals, allowing them to defraud consumers with a mere click of a computer mouse. Our regulators need the same technological tools."

This legislation has taken on even greater urgency in light of the events of Sept. 11.

"Osama bin Laden and the al Qaeda network operate through an illegal network of financial crime and corruption," said Financial Services Chairman Michael G. Oxley. "To end terrorism, we need to go beyond the training camps and drive a stake through the heart of the illegal financial network."

Under H.R. 1408, the networking capabilities will open up lines of communication without any new collection of information and without the creation of any new databases. No consumer information will be shared - only information related to fraudulent activity will be shared and only among financial regulators.

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